

**CARLSBAD TOURISM BUSINESS IMPROVEMENT DISTRICT  
(CTBID) BOARD**

***MINUTES***

**January 9, 2007**

**1:30 p.m.**

**1635 Faraday Avenue, Room 173B  
Carlsbad, CA**

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**I. CALL TO ORDER:** 1:36 p.m.

Chairperson April Shute called the meeting to order at 1:36 p.m.

**II. ROLL CALL:**

Madame Chair took roll call and six Directors were present. Director Vallas was absent.

**III. APPROVE MINUTES OF THE NOVEMBER 30, 2006 MEETING**

Mr. Cima made a motion, seconded by Mr. Stripe, to approve the minutes of the November 30, 2006 meeting. Motion carried by unanimous vote.

**IV. AB #0107-14 – ADOPT RESOLUTION #2007-1**

Mr. Stripe made a motion, seconded by Mr. Cima, to adopt Resolution #2007-1, Budget Revision, to increase the staff support salary line item to \$15,000 and to approve San Diego North Convention and Visitors Bureau (SDNCVB) and Carlsbad Convention and Visitors Bureau (CCVB) contract extension amounts through June 30, 2007. Motion carried by unanimous vote.

Public Comment: During general discussion, Mrs. Nancy Nayudu, Chair of the CCVB, indicated her displeasure with the Board's action to adopt the budget changes for staff support without discussion. She is of the opinion that the CCVB and SDNCVB had both offered to provide staff support at a cost below the \$15,000 currently budgeted for this service. Mr. Canepa noted that those offers were part of a larger package of services offered by both groups. The Board has elected not to engage either CCVB or SDNCVB in a staff capacity at this time. Mr. Canepa also noted a need for independence on the part of staff that in his opinion would not be provided by either CCVB or SDNCVB.

## **V. STAFF REPORT**

Mrs. Gerhardt presented a staff report to update the Board members on financial activity that has transpired since the previous meeting. She reviewed the CTBID assessment revenue through December, 2006. The revenue collected by the hotels was for November 2006, due the end of December 2006. The average occupancy rate was 63%. The revenue through December 31, 2006 was \$408,000 and expenditures were \$266,382. The contractual services balance was \$168,205.

Mrs. Gerhardt stated that the Board meeting agenda packet is now available on the City's website. Anyone that wishes to subscribe can click on the subscription service and type in their e-mail address. They will automatically be notified when each meeting agenda is posted.

## **VI. AB #0107-15 – APPROVE REQUEST FOR PROPOSAL (RFP) TO SEEK AN INDEPENDENT MARKET RESEARCH COMPANY**

Mr. Stripe made a motion, seconded by Mr. Canepa, to adopt Resolution #2007-2, Request for Proposal (RFP) for a Positioning Study.

Mrs. Gerhardt explained the submission process and deadline dates. The RFP will be sent today, January 9, 2007, to several parties (list on file); the deadline for proposal submission is January 30, 2007; commencement of the project is March 2007; and completion of the project is June 2007.

The Board intends to use the results of the study to help target the expenditure of CTBID funds in the future.

An ad hoc sub-committee of the Board was selected to review the responses in February and to make a recommendation to the Board at its next meeting. The sub-committee members are: Mr. Cima, Mr. Stripe, and Ms. Howard-Jones.

**ACTION:** Mr. Stripe recommended that staff provide preliminary review of the responses and attend the sub-committee meeting.

## **VII. AB #0107-16 – DISCUSSION ITEMS**

1. Follow-up on performance measurement reports from the San Diego North Convention and Visitors Bureau (SDNCVB) and the Carlsbad Convention and Visitors Bureau CCVB). No formal discussion took place. However, Mrs. Nayudu distributed an abbreviated six-month activities report for the CCVB for the period of July 1 – December 31, 2006.

## **VIII. NEXT MEETING**

The next regular meeting will be held on Thursday, March 1, 2007, from 1:30 to 3:30 p.m. A room location was selected following the meeting and will be held in the Gowland Conference Room at the Dove Library at 1775 Dove Lane.

## **GENERAL COUNSEL COMMENT**

Mr. Ball explained that Section 53235 of the Government Code mandates that all appointed and elected officials attend two hours of ethics training every two years. Information was distributed that included a website for the Institute of Local Government. The training may be taken on line. Several Board members (Kauhaahaa, Howard-Jones, Stripe, Cima and Canepa) indicated they had already completed a training session.

## **PUBLIC COMMENT**

Ms. Nayudu, Chair of the CCVB, noted that, speaking as a small property owner, many of the owners of the smaller hotel properties do not believe the CTBID is being operated as they expected it would be. In her opinion, the small property owners expected marketing services that cannot be achieved under the current arrangements with the CCVB and SDNCVB.

Mr. Kauhaahaa noted that the Board needs to be thoughtful and careful in the expenditure of its funds. Spending the money in the right way is important.

Mr. Canepa stated that he believes that the Board needs to get good advice, and then determine how to spend the money that is available. The marketing study will provide that advice. If CCVB feels that the City should be providing funding for tourism beyond the amount provided by the CTBID, then perhaps it would be appropriate to ask the City Council for funding directly.

Ms. Nayudu concluded her remarks with her expression of concern for how the funding of the CTBID has supplanted rather than supplemented the Council's historic support for the tourism industry.

Ms. Barbara Howard-Jones had written a letter to the Board (with copies to the City Council) expressing her concern for how the CTBID has been operating, and its lack of progress. She asked that the Board place two issues on their next agenda: 1) A discussion of how much City involvement is needed on the Board. This would be directed specifically toward the use of City staff support for conducting Board business. 2) A discussion of the City's funding of tourism. This was intended to be a discussion to clarify the City's present funding of tourism beyond CTBID revenues.

After a short discussion, a majority of the Board (Shute, Cima, Stripe, Canepa) did not support including these items on the next agenda. The majority was satisfied with the current staff support arrangement and did not believe there was a need to further discuss the Council's budget decisions regarding tourism funding.

General Counsel Ball and Mr. Elliott provided an overview of the process for the public to request the placing of an item on the CTBID Board and City Council agendas.

**ADJOURNMENT**

Chairperson April Shute adjourned the meeting at 2:26 p.m.

Respectfully submitted,

Sheryl Keller  
Recording Secretary